

CONTROLS: Frequently (1/3 to 2/3 of the time). Use one or both arms and/or hands to move controls on equipment. Operate buttons, knobs and levers on equipment, switches on fuse panels, etc..

CLIMBING: Frequently (1/3 to 2/3 of the time). Ascend or descend stairs, ramps and the like using the feet and legs. Climb ramps or stairs in multi-level buildings.

BALANCING: Frequently (1/3 to 2/3 of the time). Maintain body equilibrium to prevent falling when walking, standing, or crouching on narrow or slippery surfaces.

BENDING/STOOPING: Frequently (1/3 to 2/3 of the time). Stoop by bending the body downward or forward by flexing the spine at the waist, and/or bend by extending the spine backward or from side to side. Bends to clean, and repair equipment.

KNEELING/CROUCHING: Frequently (1/3 to 2/3 of the time). Kneel by bending the legs at the knees to come to rest on the knee or knees, and/or crouch by bending the body downward and forward by bending the legs and spine. Kneels to plug in power equipment.

REACHING: Frequently (1/3 to 2/3 of the time). Extend the hands and arms in any direction while working on equipment..

HANDLING: Frequently (1/3 to 2/3 of the time). Seize, hold, grasp, turn, or otherwise work with the hand or hands (fingering not involved). Grasps handles of equipment. Holds screwdrivers and small tools to make minor repairs.

FINGERING: Periodic - Does not occur on every shift. Pick, pinch, or otherwise work with the fingers primarily (rather than with the whole hand or arm, as in handling).

FEELING: Frequently (1/3 to 2/3 of the time). Perceive such attributes of objects and materials as size, shape, temperature, or texture by means of receptors in the skin, particularly the fingertips. Must be able to perceive the temperature of equipment by touch to detect overheating.

ROTATION: Constantly (2/3 or more of the time). Twist and turn the spine or a ball and socket joint such as the shoulder or hip.

TALKING: Occasionally (up to 1/3 of the time). Express or exchange ideas by means of the spoken word to impart oral information to students, staff or patrons, and to convey detailed spoken instructions to other workers accurately, loudly, or quickly.

HEARING: Constantly (2/3 or more of the time). Perceive the nature of sounds by the ear. Listen to sounds of running engines and/or motors to detect possible faulty operation. Must be able to hear fire alarms and distress sounds.

SEEING: Constantly (2/3 or more of the time). Obtain impressions through the eyes of the shape, size, distance, motion, color, or other characteristics of objects. Must be able to read warning labels on chemical containers, and be able to clearly distinguish physical hazards.

SPECIALIZED DEMANDS:

DRIVING: Periodic - Does not occur on every shift. A current, valid, and properly classified driver's license is required; driving record must, for a period of three years immediately preceding employment or any date during employment thereafter, be free of any violation for: 1) reckless driving, 2) hit and run, 3) driving under the influence of alcohol or drugs, or 4) more than one moving violation of any other type. Operate motor vehicle, as in a car, van, or truck in the course of one's employment.

ENVIRONMENTAL CONDITIONS:

LOCATION: Inside. On site. Work is predominantly inside and generally provides protection from weather conditions, but not necessarily from temperature changes.

STAIRS/STEPS: Occasionally (up to 1/3 of the time). Ascend or descend stairs, steps, or similar uneven surfaces to access any required work area or other area related to functioning in the workplace.

LEARNING DEVELOPMENT DEMANDS:

REASONING: General. Apply common sense understanding to carry out instructions furnished in written, oral, or diagrammatic form; deal with problems involving several concrete variables in or order from standardized situations.

MATHEMATICAL: Basic. Add, subtract, multiply and divide all common units of measure.

READING: General. Read a variety of materials such as work procedures, warning labels, package labels, safety rules, school board policies, and instructions in the use and maintenance of tools and equipment.

WRITING: Basic. Write compound and complex sentences when completing work orders, requests for materials, maintenance requests, and incident reports.

SPEAKING: Basic. Speak clearly and distinctly with appropriate pauses and emphasis, correct pronunciation, variations in word order, using past, present, and future tenses. Speak with poise, voice control and confidence.

TEMPERAMENT REQUIREMENTS:

VARIATION: Make frequent changes of tasks involving different aptitudes, technologies, techniques, procedures, working conditions, physical demands, or degrees of attentiveness without loss of efficiency or composure.

INTERPERSONAL: Demonstrate willingness to allow interpersonal relationships in job situations beyond receiving work instructions. Must interact and work cooperatively with staff, students, and patrons using school facilities.

DECISIVE: Solve problems, make evaluations, or reach conclusions based on subjective or objective criteria, such as the five senses, knowledge, past experiences, or quantifiable or factual data.

RELATIONSHIP REQUIREMENTS:

PEOPLE: Taking Instructions-Helping. Attends to work assignment/work plan or orders of supervisor. Assists others as needed; may give instructions or work assignment to subordinate personnel if applicable.

THINGS (EQUIPMENT/MACHINERY): Handling. Use body members, hand tools, and/or special devices to work, move, or carry objects or materials; involves some latitude for judgment with regard to attainment of standards or in selecting appropriate tool, object or materials.

OTHER:

MINIMUM QUALIFICATIONS: High school diploma; training in Microsoft Windows NT and NT products. Prefer college and/or technical school training.

KNOWLEDGE: Must be knowledgeable in Cisco router maintenance, configuration, and updating. Must be knowledgeable and experienced in trouble-shooting and repairing DOS computers. Must have knowledge of Windows 95 and 98.

SKILLS: Must be able to install and maintain printers, drivers, computers, monitors, etc.

ABILITIES: Must be able to perform manual labor, follow work plans and/or schedules, clearly define maintenance problems, effect minor maintenance and repair, and have a basic understanding of computers and network systems. Must have the ability to maintain harmonious working relationships with other employees and the public; follow oral and written instructions accurately; and learn, interpret and apply rules and regulations established.

EVALUATION PROCEDURE: Performance will be evaluated annually by the superintendent or assistant superintendent.

TERMS OF EMPLOYMENT: 12 month contract, 225 work days; Salary and Benefits determined in agreement between confidential employees and school board.

ACKNOWLEDGEMENT

THIS JOB DESCRIPTION IS INTENDED TO PROVIDE AN OVERVIEW OF THE REQUIREMENTS OF THE POSITION. AS SUCH, IT IS NOT NECESSARILY ALL INCLUSIVE, AND THE JOB MAY REQUIRE OTHER ESSENTIAL AND/OR NON-ESSENTIAL FUNCTIONS, TASKS, DUTIES, OR RESPONSIBILITIES NOT LISTED HEREIN. NOTHING IN THIS JOB DESCRIPTION, NOR BY THE COMPLETION OF ANY REQUIREMENT OF THE JOB BY THE EMPLOYEE, IS INTENDED TO CREATE A CONTRACT OF EMPLOYMENT OF ANY TYPE.

Nate Allegast
Signature

9/8/98
Date

EXHIBIT 26

August 20, 2001
Minutes from Executive Session Board Meeting

3/01

This is after
problem 471 was posted
1/17/01. Appears that
Nate Gsapt discussed
Appearance of conflict.
Relationship with Port of
Morrow affiliate Morrow
Development is discussed
here. This non profit
Becomes estate vendor.

August 20, 2001

Add Marcia Kemp –

Move 8D to after 6A -- made more sense to act at the time on Fiber Net

MCEA - Paul Keefer

OSEA - no

ESD - no

Invite members of audience – was how to invite commentary from the public. Handles in different ways -- couple of ways to do that -- 2 things at this point in the agenda – comments from the audience and then leave ; also introduce. Board Meeting Citizen Input Form – call on individual people when agenda item comes up. These forms are new -- subject; Right beside –

Consent Agenda -- added one item to that -- Any discussion about

1. GF

2. PM

V. U

Curriculum Report -- John Sebastian – 2 years of reading mastery direct instruction. Joyce Hesla -- if classloads are reduced in reading blocks and direct instruction in 2-5th grade -- first year we implemented, we changed 2-5 grade reading into 1 hour blocks – decreased numbers -- Title, ERC and special reading and all aides – direct instruction for remediation . expanded direct instruction and remediated those needed. Gave some instruction – 2 day overview and further reduced with district support for teachers assistants -- made big difference; Results - benchmark in 5th grade – average of 30% met benchmark 0 those that exceeded were 9.5 -- 37.4% -- after 2 years of remediation under belts -- composite score of 72% meeting or exceeding. 4th grade and didn't take benchmark in reading -- state expects 7 rit points for one year growth. 5th - 13 rit points from 4th to 5th grade -- average of 20.4 in rit scores - intervention working with at-risk kids - was working; where are we going from there? Last year - 2000-01 - schoolwide planning in reading -- Mr. Sebastian worked so hard - Goals 2000 reading grant, were able to buy additional direct instruction for k-3 and also language for learning for kindergarten; k-3 teachers are being provided 4 days of instruction in direct instruction. Last year 2 days -- we will be ready. Instead of remediation -- direct instruction for remediation and acceleration – children who are not learning how to read -- now everyone is learning secret -- acceleration ; New research; increased training and monitoring promote more growth overall and increase performance for students. Direct instruction instructors will mentor during the year and help everyone refine skills. Excited about this coming year. Other goal to see if we can close to 90% goal for district; First year teacher, Erin Stocker, her data was on 4th and 5th grade - kindergarten teacher; when I first started – extremely pessimistic – teacher training program -- completely opposite -- After could days training and lots of coaching, I started using in classroom – took some time to watch until you start – responsive and successful; as I started teaching – kindergartners are reading -- learning sounds and blending and reading – excited that over 75% reading by the end of the year; other teachers Reading Mastery – interesting for kids, fast and keeps attention -- learning to speak and read for ESL – consistent program – familiar for the students -- overall I have seen nothing but success with the program – very excited and happy doing it;

Brief summary of summer school program -- ACH, Boardman and Heppner – total involvement of 662 students – participation in heppner at 15 - benchmark kids to more fully utilize instructors in the program; change in boardman area - used the CAT test that uses much of the format of state rit scores, which is good practice for the kids -- benchmarking test. Video game testing -- get score and then beat that score -- highlights -- good working relationship with ESD.

Board Report -- Initiate training for the board for focus on where to go with the district – board policy that already exists with respect for the board's role -- people we are trying to serve so that we are providing service that school board should -- Administrators did to do list – literally created expectations of the board. Appreciated the diplomacy .. we all see the intent. I will read those items to you.

Training in Boardmanship -

Focus on issues

Speak with one voice

bond, policy, instruction and finance

board members are private citizens --

decision making process

42-64 -- I have extracted things from OSBA and board policies -- review these materials before formal training -- highlighted some issues to stimulate thought processes; C-42 -- example; Code of ethics for OSBA -- understand the chain of command -- proper administrative office -- school board has one employee -- he carries out the policies -- problems need to be addressed to superintendent; Criticism should go to superintendent not to staff or board meetings; respect the right of the public to be informed; frustration with board leading lives -- raising a family -- important that the communication carry the vision of the district to the public. Key work of school boards is vision; School Board training -- Small vision does not excite communities. If you don't create goals, you cheat the community out of meeting those goals; school board primary job is establish policy -- real tendency for boards to get in management decision; C47 - board acts through legislation of policy - administration of the district is the superintendent. Individually and directly responsible for administration of policy.

1150 -- Code of conduct for members -- policy making not administrative; top of 54 -- when board makes a decision it is the board's position -- need to support that and function after the decision is made -- out in community and listening -- very tempting to take those on and take directly to the board; most have not been through the proper channels -- majority never needs to come before; refer all complaints -- after failure of administrative intervention.

1200 - set goals and make policy to address those goals -- over and done with; 1259 -- on C60; educational program -- cause to have taught; To add as much as they can, but that is the basic charge; 5123 on page 62 -- defines the superintendent job-- establish procedures to carry out board policy; Comments on JW presentation -- 5 basic category -- personnel, financial; policy; Board has certain responsibilities -- not sidestep responsibilities; board to assume role they are expected to assume.

OSBA Summer Workshop Briefing - JN- 2 key issues -- Dan Tollet, TN School Boards Assn. What he had to say was challenge all board to establish goal setting process -- never be satisfied with status quo. Organize and implement goals -- how to accomplish what you want to accomplish -- Finance issues -- 3 items of the 76 affecting school districts -- 1. Now enables our district to develop biennial budget instead of annual budget == coordinate with state budget on 2 year basis; election to board has been moved from march to may; 3. Responsibility of policy to control and prevent harassment and bullying. Deadline to implement; To summarize financial matters -- when they began certain proposals -- small school funding -- at end just about where they started. Good session and glad I went;

JW--Worksheets -- keynote speaker used with us -- effective school boards and vision -- how is it that they bring that vision along -- interesting -- less effective school boards to get engaged in management; personnel; purchasing and problem solving; boards cannot be engaged in their job with this interference. Planning, policy, and promotion -- this is what boards should concentrate on. Actually from the meeting last year -- aligning goals and working in same direction -- big arrow at the consumer -- school board -- the consumer is the community -- responding to needs of community; align all efforts to aim at the same thing -- best possible education for the kids; Some coverage of public law -- invite participation that is effective for all.

Board Vacancies -- 2 vacant positions on the board -- do not fill; BA handling our mess -- handling the case -- advised not to fill the positions -- October 17th -- written by the lawyer for the insurance company for the school board; Have received request to allow Mr. Lewis case to be tied to this case -- that issue will be discussed in executive session after the meeting.

Supt Report - Fiber Network Project; Nate Arbogast -- and Gary Neal for Morrow Development Corporation -- it has been a long road -- handouts early;

Represent myself in two hats -- Where we have been and how it got started and where we are now; Fall of 1999 looking at ways to secure funding for high speed internet access within the district -- internal data networks -- right about time of e-rate program; E-Rate designed out telecommunication act of 1996 -- 2.25 billion to schools; internal connections; internet access; POTS; wiring serving hardware -- background in organization. MCSD for better position -- increased services; reduce costs; Can we get award for advanced services within the county -- services were not out there; solicited bids for telecommunications -- actually go to carrier; request bids -- offer for services in your area; Local provider that could help build service within the county; We started looking for providers -- BEO and other groups -- put forward the idea -- went ahead -- I will bid this service and see if we can't provide this service through this vehicle -- we were awarded -- ship to another organization and looking for a partner -- discovered Morrow Development Corporation -- lots of ties to the economic -- shift to them. Took to FCC -- presented that option. In time since made application and award -- no longer shift award by shifting -- original entity had been on service in the beginning. 320,000 and no vehicle to move forward with that award. As business service conflict of interest -- supt and I talked about ways to make that work -- conflict of interest state -- appearance that I may make a profit on this -- just because employee and owner -- we agreed with that project -- dollar for dollar -- no profit in Arbogast pocket;

Why do we need and what does it do for students; break even analysis for costs - estimated for telecommunication services -- 2000-01 -- were 50200 for t-1 access throughout the county and video conferencing -- V-tel systems throughout the state of Oregon -- funded through June 2002. Find a way of supporting those services -- lot of emphasis to bring in remote educational services; How it adds up and stretches.

High Speed Internet Access -- free and reduced -- higher rate of discounting of fed government under this program -- 80K we leveraged 320,000 in e-rate; next year 310,000 -- bond anticipation -- federal program through e-rate program; free and reduced have gone up; there is good and bad in those figures -- lower socioeconomic status from students -- provides additional dollars -- for 310K expenses 1.4 in e-rate funds -- After 5 years we are at break in -- dramatically reduce our costs -- saving projection is based on contract that set up with Morrow Development Corporation -- bringing back in dollars over time and other users using the system; dollars are receipted back in the break in -- realistically you could see that in 3-5 year range.

Increased services -- students -- T-1 lines connecting all schools in the district. 1 megabyte of services -- basically is 45 times that capacity and has potential to be 1000 times faster. Opportunity for student services -- School Master -- consolidate data -- drawback to School Master -- local buildings -- pull back together into data systems -- budget reports -- Julie has to do; pull all back at any point -- can be done and flexibility to provide, does not have ability to consolidate ;; we are at 18% fore-rate for this year. Using that system, data centrally -- match up with enrolled at one level and yet siblings were not; eligibility to support higher funding -- Mike working hard on testing - scores into data base to use system to grab back and feedback to parents on student performance. Not brought into central location; TESA -- state of Oregon -- online testing -- district in unique position for system and network. RHS was sample schools -- asked to have all high school and middle schools in the program -- equipment and infrastructure -- greater flexibility to pull info and get it where it needs to go. Video conferencing -- high capacity access within sites; Higher capacity. What we were trying to come up with; Decided to move forward; local utility companies; UECAL Heppner TV; ODOT, city; telecommunications;

7 phases of the project; Schools Connected first -- microwave network first; Phase 4-7 are long haul phases -- connects communities -- Morrow Development Corporation; Port of Morrow; access to available land; That is the phase rollout for high speed internet system within the county.

Sets up for the next 20 years -- high speed communication. We are providing service -- area that there is tie into later on -- vaults in place to tie into state and federal agencies -- may be close by; dollars are for schools and that is the priority; learning center; low wave microwave system; All sitting on CBEC poles; Heppner Elementary and HHS and Heppner TV may be the servicing entity; Opportunity to interface video networks -- ability to ship out -- broadcast -- Portland Public Schools board meeting; Irrigon was the problem -- mostly underground structures; system is overbuilt at this point; service entire county on one

fiber -- cost is in the labor; tied ACH to CMS and learning center -- amazing thing in about 3 months -- we did not get award until October of last year.

Introduce Gary Neal and Morrow Development Corporation -- a lot to be achieved and a lot of pieces to be put together. Non-profit corporation -- 5 port commissions and 2 bankers ;; economic development -- school district identified need of potential partner to be a player of fiber optics - made sense for Morrow dev and pot to be involved in infrastructure -- looking at diversity in opportunities in Morrow county; in order to help ag based economy -- get into 21st century; telecommunications and fiber optics; diversity industry and high paying jobs with youth opportunity; Telecommunications is key part in attracting business. We need it. If we don't move forward -- the 21st century will pass by. Saw opportunity to help goals of district and vide conferencing; other public agencies -- opportunity to access that as well. encourage in connection and service costs as related to that. Fiber optics -- You have to have point of presence and prove that you can do that; ODS service billing facility landed in LaGrande -- technology business into area. Goal it to promote this services throughout county with low cost access to public agencies; share with private areas -- retail provider and could team up with Heppner TV could be CBEC, UECA has been getting involved in telecommunication -- wholesale provider for them. Establish things to reduce costs; school district with no cost for these services and reap tremendous benefit to the students. We are looking forward to finishing phases out and bring something that we can all be proud of. Pleased to be a part of that.

JW--page 132 to 142 -- contract with Morrow Development Corporation -- contract to look over;

GF--timelines -- where are we on timelines on phases in terms of completion -- NA-3 are done with some of phase 4 done; not receive funding for next year -- anticipate receiving award the same time. Better at this point. Did not get moving - we are ready to move immediately -- accomplished before June of next year. 3 things in 3 months -- urban projects -- will not have to deal with in longer phases -- work around gas, water, power, sewer;

GF-how long to think that they will do over satellite and these won't be here -- introduction -- speeds are severely slow --

PM- how far can you send signals -- single mode fiber optics -- 100 km; regeneration stations send it farther. Should be able to obtain on all.

JN- development corporation and school district. - partner with other groups to get them. Entire project. This is just an island -- Morrow county -- need that connection elsewhere -- BPA fiber several months -- available the costs we are hearing are dramatically less than other areas. GN -- additional users to pay for costs == will go down to -0-. School District can use;

GN--confident that there will be other subscribers ; UECA and CBEC and wholesale users -- retail connections -- public entities are interested in fiber optic connections. Good way at reasonable cost to accomplish that. NA 0-- getting in January -- outside entities of when to be available -- there is a high interest and high demand for this.

Paul Keefer -- cities involved - library and business ;; who gets the money -- cost of service -- monthly cost and go directly toward connection costs; first to the school district -- no monthly costs; City Halls, libraries;

JN--cannot own the system -- part of the e-rate stipulation for federal funding; school district receives the service -- infrastructure is not eligible but district is eligible. - BA-only logical agency to hook up with; Action on Contract.

1. PM
2. JRenfro
- V. U

Point of Information -- lease of land -- system that is leased back to us. As they get customers, they will buy that stuff back from us. That is where we are heading toward -0- -- get that back as well. Purpose of lease of land. JW -- contract has 2 parts;

Investment of Bond Funds -- page 63 -- add a couple of -0- -- this is where funds are invested; remainder of funds in the state pool; state pool is in a declining mode -- hussled to get the money invested; we are not as good shape 3 months earlier...interest rates going down again.

Staffing Report: Learned today that all teaching positions; Administrative team has worked really hard to get this done. Little bit of luck -- showed up;

Schedule for Community Input -- 4 meetings scheduled -- Heppner -- 6:30 pm on September 5th; Ione on September 6th at 7pm; Irrigon on 9-11 at 6:30 and Boardman on 12th at 6:30 pm at SBE auditorium;

Unfinished Business -- Heery International Contract for Project Management Services:
pages 65 to 90—right hand margin are lines that indicate where original document has been changed. WE have been through document.

JN- comments and concerns about the whole thing; and reference the page. C76 -- the hold harmless clauses with hazmat on mistakes and omissions; Perhaps review -- if there is a mistake or omission == assumes no liability; might be standard. There are our eyes and ears - the contractor is held liable for those issues -- contractor -- if they advise against. They are eyes and ears on the job site -- certainly expect project manager to deal with that but act appropriately. That is not what this section is about. We went over this at least 6 times. These are standard clauses for the advisors. If comes to their attention -- hazmat on location -- would a letter from them stating that they will notify or make know - letter saying they will advise.

GF—talks about that -- rising from the responsibility of others -- everybody gets named.

JN- another issue -- supplying the office space for project -- furnished, supplies, utilities and cleaning; Recall that indicated that staff person would be here; this does not pay for staff and furnishing and equipment; we provide tables and chairs. Standard relationship with project management; If these are in our buildings -- how do you break this out.

BA- go into cafeteria -- First classroom on left on ground floor at HES; ESD learning center -- already set up.

JW- attachment B - don't understand for daily charges -- until the end of the period -- over and above the contract. Rates that don't apply under the contract.

JN- delay due to fire, riot, war -- additional compensation for the delays --

BA- that is standard language --

Heery Contract

1. Renfro - with stipulation that letter dealing of haz mat liability

2. GF

V. U

BBT Contract for Architectural Services -- Adjusted for somethings that they are not responsible for.

Discrepancy in discounting a major portion of addendum as part of the bid - AIA standard form; RFP and Addendum -- addendum in favor of the district -- most of stuff covered in RFP included; We want you to agree to the addendum or referendum, whichever is the most stringent.

JW -- discrepancies between documents -- flips back and forth;

JN-conflict between issues -- stringent and benefit to the district.

JW -- agreed in this form --

BA- yes.

BBT Contract --

1. GF

2. PM

V. U

Morrow County Rec District Contract – 100-103 -- same contract with Rec District -- provide 432,300

1. PM
2. GF
- V. U

Arts Standards – 2nd reading and adoption

1. GF
2. PM
- V. U

Bond Projects Approval -- Bruce Anderson

Did not get the final quotes from the maintenance department -- JN- general estimated costs on not actual bids -- dollar amount that we are looking at. Electrical work at the various buildings -- BA - over bid on football lights -- about 3,000 over; estimate of 10K and some under 13K; people that bid the job -- specs - - you are putting in too low wattage -- look at that in the form of the change order -- Get on agenda for next time.

Additional one hour on one teacher; greenhouse operation -- status to be forwarded for the budget committee.

New Business --

2001-02 District Goals -- administrators recommendations to the board. Basically we have 2 major district goals -- community relations and improving student performance. Page 130 and 131 -- develop higher levels of community and district programs -- improving student performance - 90% of 3rd and 5th graders being met by the state -- 90% dictated by grant applications -- comments about those goals --

BA- will have more detailed goals -- I will add one -- accountability for bond funds and budget projections for Rhonda -- will be bringing to the board for review.

JN- comment and request -- goals and proposed for the board -- stay focused on important issues -- less than important issues -- day to day operation -- given.

2001-02 Goals --

1. GF
2. PM
- V. U

Board Policy Development -- noted numerous times -- out of date; general review of school board policy - not compatible with state of federal -- Oregon State align with federal -- launching a huge project to review all policies -- SpEd policies -- they are not aligned on numbering system. Concern about where and when -- especially concerned -- time and effort -- takes money -- submit to OSBA who reviews this and tells us where we are out of compliance with state policies -- we could plan to engage this project. Initial review - - takes 2-3 months (ba). What they do is cross reference everything with statutes and case law that applies -- very extensive process -- good thing to do and takes time. Experience that it takes an extra meeting a month -- what do you want to do. Rewrite and update with new numbering system. 3-4 choices of sample policies -- be discerning about what you want to control and what you don't want to control.

PM- how long that we might have -- supt search and collective bargaining. Couple special meetings; this is the deadline -- bids you let on the schools will not be something put in the packet. You will want to know what is in it. You could start next school year -- observed it taking up to 2 years to do this. Willingness -- should all participate in. not a delegation; your superintendent will be heavily involved in this as well. Has to understand and administer.

JW -- Interim supt 0 not the best. Take action on the intent.

JN- Policy and development and what we do about that. Time discussing various issues with the superintendent. Board policy updated and revised -- at that point in time, we did not know about time commitments. Not sure at this time. Policy manual -- quite lengthy. not see as emergency thing. should be done at some point. As a result of all of that... We don't need to make a decision on that tonight. Wait

and see how involved we are in other things. Challenges -- suggestion -- table this until we see where we are going -- logically through OSBA assistance.

Trying to forecast as board commitment and times -- before project we might have interim supt; looking at that maybe workload and supt has already plus other issues, I wonder if member of the board participate in communication projects. Designate person available to make decisions. Member playing in that role participating in those kinds of things. Wait and see -- not clear to me how deeply involved.

JW - comfortable with not moving ahead on this decision -- budget process we have to answer the question to budget for this --

GF - updated this policy -- tabling as long as we continue to update to match up with legislation.

JN - series of regional meetings scheduled -- addresses those specific issues -- recent legislative acts -- PM - not willing to take on more loads.

BA - unless I am directed to do otherwise -- budget for that

Taping Board Meetings -- John Renfro taping the meetings -- ask us to speak our peace about that.

JN - envision, based on concerns -- audio amplification system, cannot hear the conversation that board is engaged in. In conjunction to me it is advantageous -- realize that we may never need a tape of our meetings -- have detailed accurate record of meeting; inexpensive and easy to store -- satisfies state archivists; do something beyond absolute minimum requirement; comfortable if we knew we had detailed irrefutable report of what is said. Additional burden on the staff; worked out and happy to handle that chore; reason I would; notion of two projects; audio amplification system; and secondly record and keep the audio recording;

GF - think that auditorium at RHS are bad and trouble hearing; another spot in RHS -- probably the worst place where people can't have input and dialogue back. Heppner and Ione -- ok; problem other than riverside we need to address that.

JW - hasn't worked well handling microphone around.

GF - solve that problem at RHS - that is the worst building. Others were not problems. As for taping -- don't see a reason to tape. Detailed minutes and records have served us well.

PM - Gary agree -- not into taping; not against it; audio; We need to do is get along with the public -- know what we are talking about ;; be in a room where they could hear us without an amplifier;

JW - go to library.

BA - same problem at SBE - large area. Let me look at that. This is not a new issue. What it takes is amplification system with several jacks -- carting from place to place -- they disappear; if it is something we have to pack from place to place -- something that is not too expensive -- RHS auditorium, - we can put a mic on each person.

JW - corded microphone passing around -

GF - do we have cordless acoustical anywhere.

JN - researched a little bit. Technology available today come up with something.

JW - look into the hardware of this issue -- By October -- have more information. Anybody can tape them if they want to.

Process for Superintendent Search - engaging in process for superintendent search -- two providers at september meeting -- OSBA -- Chuck Bugge at 6:30 and George Murdock at 7:00 pm. These are the only providers -- BA - there are high priced head hunters. We will be interviewing those providers -- we will select at the september meeting.

GF - comfortable with OSBA process --

Announcements -- BA read the announcement -- done by noon.

Fall Regional Meeting -- 10/25th -- it is a Thursday.
Adjourn at 10:10 pm

Executive Session -- 192.660(f)h) -- 10:18 pm

Attorney by phone, expressed that the defense -- or Mersereau -- Keith's case be allowed to be tied to applied to Lewis --

BA- only those issues that apply.

JW -- we asked out lawyer to recommendation to be tied or not. We now have that recommendation --

GF- initial opinion was that they were two separate cases -- applied equally applicable, I agree.

JW- unless we have objections this is the way.

PM- no objections

JN- no objections -- comment -- different individuals -- common issue ; understanding is that the basic question on one hand, falls into section of school boards or elections? Boards, then the board is deeply involved in it; election law - no standing. Even though appears to be two separate issues, there is a common issue.

JW -- addresses the issue of board's. worded better.

JN- agree

JW- convey that.

JN- hoping to receive memo from filling zone position 4 --

BA - no. this resolves that issue.

No comment on legal council. Adjourn at 10:24pm

EXHIBIT 27

Declaration of Dirk Dirksen

DECLARATION OF DIRK DIRKSEN

I, Dirk Dirksen, declare under oath, pursuant to 28 U.S.C. § 1746 and 47 C.F.R. § 1.16:

1. I am currently the Superintendent of the Morrow County School District ("MCSD"). I am a resident of the State of Oregon and am more than 18 years of age.
2. I make this Declaration based upon facts within my personal knowledge and a review of relevant records of the MCSD.
3. I was hired as the MCSD Superintendent in 2011. Before then, I worked as a principal in the school district for 8 years.
4. Mr. Arbogast resigned from his position as MCSD Technology Coordinator in August 2004, before I became MCSD Superintendent.

Morrow County School District

5. MCSD is located in rural north central Oregon, bordered on the north by the Columbia River and the Umatilla National Forest on the southern border. Although the county covers more than 2,000 square miles, the population is only about 11,100 people.
6. The district has nine schools and serves the four communities of Boardman, Irrigon, Heppner and Lexington. We educate 2,300 students in kindergarten through 12th grade. The student population in Boardman and Irrigon is diverse and growing with the largest minority group being Latino/Hispanic.
7. Morrow County has a poverty rate of 21.6% for those under the age of 18, and an overall poverty rate of 14.8%. The percentage of students in the school district eligible for National Student Lunch Program, an indicator of poverty, was 48% in 1998; 47% in 1999; 49% in 2000; 47% in 2001; 56% in 2002; and 61% in 2003. See Exhibit 27 (Morrow County: Reduced Price School Lunch Program)
8. When taken together, the schools that comprise MCSD had a shared E-rate discount rate of 73% in 1998; 75% in 1999; 75% in 2000; and 82% in 2001.

Hiring of Nate Arbogast

9. Mr. Arbogast was hired by MCSD in 1996, about 15 years before I became MCSD Superintendent. See Exhibit 23 (Arbogast Employment Contract signed by Superintendent Starr on 7/10/96 and by Scott Bauska, Chairman of the School Board

on 7/8/96). MCSD Superintendent Chuck Starr, who hired Mr. Arbogast, and under whose supervision MCSD's first E-rate applications were filed in 1998, is deceased

10. Mr. Arbogast reported directly to the MCSD Superintendent.
11. Over the course of his employment with MCSD, Mr. Arbogast reported to five different Superintendents. Mr. Arbogast first reported to Superintendent Charles Starr (1996-1999), then Superintendent Bruce Anderson (1999-2002), then Superintendent Jack Crippen (2002-2003), then Interim Superintendent George Murdoch (2003-2004) and then Superintendent Mark Burrows (2004-2011).
12. To my knowledge, none of the prior MCSD superintendents who supervised Mr. Arbogast had any relevant computer experience or extensive knowledge of the E-rate program. This does not surprise me, given the time periods involved (pre-2004), our rural geographic location in Oregon and the fact that the job of MCSD superintendent includes a broad set of duties akin to a Chief Executive Officer with responsibility for all schools and employees in the school district.
13. The Form 470 at issue was filed in December 2000, approximately 11 years ago. See Exhibit 13 (FY 2001 Form 470).

The Competitive Bidding Process

14. To the best of my knowledge, the E-rate competitive bidding process, including vendor selection and contract award decisions, has always been controlled by the MCSD Superintendent and the Morrow County Board of Directors.
15. Since 2005, MCSD has contracted with the Umatilla Morrow Education Service District to process our E-rate applications and other paperwork. In Oregon, Education Service Districts provide various services to small school districts that cannot afford to provide those services through the employees of the school district itself. MCSD is confident in the professionalism of the Umatilla Morrow Education Service District with respect to E-rate compliance.

MCSD Cannot Repay the E-Rate Funds

16. With respect to the E-rate services that USAC seeks reimbursement for, MCSD never received those monies directly. MCSD received the services provided by the Service Providers. Those services, such as high speed internet services, were consumed many years ago in 2001-2002. Given the nature of the program, there is nothing tangible for MCSD to sell off to be able to repay the government.
17. Should MCSD be forced to pay USAC the amounts demanded, MCSD will be forced to sell school properties and lands and shut down schools. It goes without saying that this would have a disastrous and irreparable negative impact on MCSD's ability to educate the children living within this school district.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on 7/11, 2011.

A handwritten signature in cursive script, reading "Dirk Dirksen", written over a horizontal line.

Dirk Dirksen

EXHIBIT 28

Declaration of Bruce Anderson

FAX 202-282-5100
Ryan Spiegel

DECLARATION OF BRUCE ANDERSON

I, Bruce Anderson, declare under oath, pursuant to 28 U.S.C. § 1746 and 47 C.F.R. § 1.16:

1. I was the Superintendent of the Morrow County School District ("MCSD") from July 1, 1999 until June 30, 2002, when I retired. I am a resident of the State of Oregon and am more than 18 years of age.
2. I make this Declaration based upon facts within my personal knowledge and a review of relevant records of the MCSD.
3. After being drafted into the U.S. military, I worked for several years in a series of small (at the time) towns in Northern California. I was an agriculture instructor, a vocational educator in Modesto, California; the assistant to the Superintendent in Shasta County, California; and a School Administrator in Redding, California.
4. Then, I worked as a Superintendent in Oregon public schools for 23 years, from 1979 to 2002. I held the following Superintendent positions: Adrian, Oregon from 1979-1982; Colton, Oregon from 1983-1988; Tillamook County, Oregon from 1988-1992; Crook County, Oregon from 1992-1999; and finally, Morrow County, Oregon from 1999-2002. All of these school districts were, at the time, small and relatively rural.
5. I retired from MCSD in 2002, and am still retired.

Hiring of Nate Arbogast

6. Mr. Arbogast was hired by MCSD in 1996, which was before I became Superintendent in 1999. The then-current MCSD Superintendent, Charles ("Chuck") Starr hired Mr. Arbogast.
7. Former Superintendent Starr is now deceased.
8. Based on my review of MCSD files, Mr. Arbogast submitted his resume and cover letter in response to an advertisement for the Technology Coordinator position, and in his cover letter, he informed MCSD that he owned his own technology company, Arbogast Business Services ("ABS"). See Exhibit 22 (Letter from Nate Arbogast to Julie Ashbeck, Personnel, MCSD, May 9, 1996).
9. Based on my review of his personnel file, MCSD hired Mr. Arbogast according to normal MCSD procedures. The MCSD Board approved Mr. Arbogast's hiring at the school board meeting of June 10, 1996. See Exhibit 23 (Arbogast Employment Contract, signed by Superintendent Starr on 7/10/96 and by Scott Bauska, Chairman of the Board on 7/8/96).

10. Mr. Arbogast reported to the MCSD Superintendent. Prior to my term as Superintendent, Mr. Arbogast reported to Superintendent Charles Starr, who was the Superintendent from 1996 to 1999.
11. During the time Mr. Arbogast reported to me, from 1999 to 2002, I believed that Mr. Arbogast was extremely qualified for the position he held. He had far more computer experience than anyone else who worked for MCSD. I personally had very little to no expertise in computers, technology or the Internet. My low level of computer literacy was pretty consistent with most public school educators in our part of rural Oregon at that time, which was about 12 years ago.
12. At the time I was Superintendent, I believed that MCSD was lucky to have anyone on staff who was as knowledgeable about computers as Mr. Arbogast. At the time, qualified individuals such as Mr. Arbogast were very rare in our rural part of the state. Mr. Arbogast was very hard-working, and I believe, truly dedicated to bringing internet technology to MCSD. He was from our part of the state, as was his family, and lived here with his wife and children.
13. When I was hired as Superintendent, I was told that Mr. Arbogast owned his own technology company, ABS.

E-rate

14. At the time I became MCSD Superintendent in 1999, MCSD was already participating in the E-rate program. E-rate was a new program, having just started the year before, in 1998.
15. The first time MCSD participated in the E-rate program was in 1998, the year before I was hired as Superintendent. The first year MCSD participated in E-rate was about two years after Mr. Arbogast was hired by MCSD as Technology Coordinator.
16. From my perspective, E-rate was a very complex program, and very few of us in the public schools in our part of Oregon knew much about it. When I resigned from my prior Superintendent position in Crook County School District, Oregon, they had not yet begun to participate in E-rate, or if they did, I was not involved in the process. Crook County, Oregon was also a rural school district.
17. As Superintendent of MCSD, I functioned as the school district's Chief Executive Officer and had general supervisory responsibilities over all schools and employees. As such, my responsibilities were very broad and diverse. It would have been impossible for me to attain in-depth knowledge of E-rate and still fulfill my other traditional responsibilities as Superintendent. Thus, I, and everyone else at MCSD relied heavily on Mr. Arbogast, as Technology Coordinator, for his knowledge of the E-rate program.

18. I had confidence in Mr. Arbogast's knowledge of E-rate, and believed that Mr. Arbogast tried to understand and keep MCSD informed of the evolving E-rate rules.
19. During my tenure as Superintendent, I believed that MCSD was in full compliance with all state, local and E-rate rules.
20. One of Mr. Arbogast's tasks as MCSD Technology Coordinator was to assess the technology needs for MCSD each year. Another task was to fill out and submit MCSD's Form 470. It only made sense that Mr. Arbogast was listed as MCSD's contact person on the Form 470. He was the most knowledgeable person at MCSD regarding MCSD's technology plan, and he was MCSD's Technology Coordinator, and the MCSD employee responsible for day-to-day E-rate activities. It would not have made sense for MCSD to list another MCSD employee as the Form 470 contact person.
21. MCSD is located in a remote and rural area of Oregon. Due to our rural location and the relatively small size of our school district, there were very few technology and Internet companies that were willing or able to work with the school district at the time. Some companies would not deal with MCSD because MCSD did not have enough (computer) users, and there simply was not enough revenue to be made in MCSD for bigger firms. It was always an uphill battle attracting E-rate service providers to MCSD.
22. During the first few years of the E-rate program, MCSD never received any bids in response to its Form 470s.
23. In compliance with Oregon state law and MCSD policy, MCSD included a call for bids for E rate eligible products and services in the local newspaper. This method seldom resulted in bid responses.
24. To comply with Oregon state law on purchasing, and in order to ensure that MCSD received the best prices, if three bids were not received, MCSD would contact eligible Service Providers to request a quote. See Exhibit 20 (Oregon Revised Statutes § 279C.414). Mr. Arbogast performed this role.
25. When the E-rate program began in 1998, ABS was the only Cisco-authorized partner in Morrow County. At the time, Cisco held the patent for the routers required by MCSD. Additionally, as noted, there were very few technology companies willing or able to bid on MCSD work.
26. At the time, Oregon law and MCSD policy both provided the procedures required when a MCSD employee sought to contract with the school district. The employee is required to publicly announce the conflict of interest and exclude himself from any decision-making responsibility related to the requested products and/or services. Mr. Arbogast followed this procedure for bids submitted by ABS.